reflected in the news items, which tries to project entire years' financial out turns based on some of the financial indicators as available in the first two months of the current financial year.

Revival package of Madhavpura Mercantile Cooperative Bank

1052. SHRI P. PRABHAKAR REDDY:
SHRI V.V. RAGHAVAN:
SHRI NAGENDRA NATH OJHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Madhavpura Mercantile Co-operative Bank (MMCB) was in the red leading to its virtual liquidation;

(b) if so, the details thereof;

(c) whether Government have decided to offer a revival package to bail out the Bank;

(d) whether this decision was taken in total disregard of the advice of the Reserve Bank of India which had decided in favour of liquidating the Bank and if so, the reasons thereof; and

(e) what the final decision of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) As reported by Reserve Bank of India (RBI) the Madhavpura Mercantile Co-operative Bank (MMCB) Ltd., Ahmedabad has been posting net profit in its operations consistently for the last five financial year. However, for the year ended 31st March, 2001 the Bank is likely to suffer huge losses on account of erosion in its assets due to its large exposure to stock/share brokers. The statutory audit of the Bank for the year ending 31st March, 2001 is in progress.

(c) to (e) The Central Registrar of Co-operative Societies (CRS), is working out a revival package for the MMCB in consultation with RBI. RBI has reported that it is not against the revival of MMCB.